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6 August 1980

MEMORANDUM FOR: CIA Long-Range Planning Group

FROM :
Special Assistant to the Deputy DirectorSUBJECT : Final Draft--Foreign Policy and Management Planning
Issues

1. Attached are the final drafts of both the foreign policy and management issues prepared by the planning working group. Please review before our meeting Thursday, 7 August, at 0900 in room 4E05, and be prepared to discuss them. I hope there will be minimal, if any, changes. I would like to send these final drafts to Executive Committee before close of business Friday--or earlier--for Executive Committee review prior to the 13 August Executive Committee planning meeting.

2. I also would like to discuss with you at our Thursday meeting what we would like to achieve through the 13 August Executive Committee meeting. My own ideas are as follows:

- ° Give EXCOM a status report on what we have been doing on planning since the May EXCOM approval of the planning project. This would consist mostly of discussing the inventory and issue preparation.
- ° Ask for EXCOM guidance on the process so far and suggested next steps; on the expected end product; and on the foreign policy and management issues.
- ° Specifically we need EXCOM guidance on these issues:
 - ° Pace of the effort
 - ° Relationship of the planning effort to existing internal directorate planning cycles and systems
 - ° Nature/extent of November planning document, will it be DCI long-range planning guidance or will it array planning issues for decision in November and follow up action/implementation through the normal budget/ZBB process.

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- ° Foreign policy and management issues: are these the agreed priority issues, should EXCOM select two or three for more in-depth review and preparation by the planning group and the directorates over the next few months for October/November deliberation and decision?

3. I would like your ideas on all of this. It may be appropriate for our planning group to not only present these foreign policy and management issues to EXCOM for reaction and guidance but also to present to EXCOM procedural options on both the nature of the end product and next steps, as I have discussed above.

4. By the way, despite some difficulties our group has had grappling with this over the last two months, the issues don't look bad at all.



cc: DDCI

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31 July 1980

FOREIGN POLICY ISSUES

I. What changes, if any, should CIA make in its intelligence effort on Soviet and East European intentions and capabilities?

Soviet and East European military capabilities have reached and will in many important respects exceed those of the US and NATO in the coming years. At the same time, new leaders will be taking over the reins of power in the USSR and most East European countries, and resource shortages will be an increasingly serious problem in both the USSR and Eastern Europe. The new East European leaders are likely to be inclined toward a more independent line from Moscow, and the USSR's capabilities to intervene militarily outside its borders are likely to be increasing. Technological breakthrough, particularly in the field of advanced weapons, could have a significant impact on the strategic balance, as could the violation of or breakout from arms control treaties. Long-term intelligence implications:

1. The need for improved intelligence coverage concerning Soviet goals and the more aggressive manifestations of Soviet foreign policy. (NFAC)
2. The need for sustained intelligence coverage concerning Soviet strategic weapon systems and strategies/policies for their deployment and use, including improved capabilities to monitor arms control treaties and to provide warning of hostile intent. (NFAC, DDO, DDS&T)
3. The need for greater depth in coverage of Soviet internal economic, political, and security developments. (NFAC, DDO)
4. The need for improved intelligence coverage concerning Soviet and Warsaw Pact conventional weapons development, theater deployment, and overseas intervention capabilities. (NFAC, DDO)
5. The need for improved political and economic intelligence coverage of Eastern Europe during this period of its increasing independence from the USSR. (NFAC, DDO)

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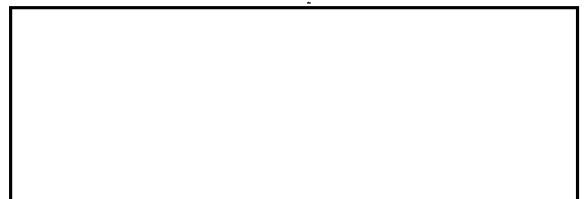
31 July 1980

II. What changes, if any, should the Agency make in its intelligence effort against China and on Sino-Soviet relations?

With its growing military and economic potential, China will be playing an increasingly important role in the world in the coming years, especially in Asia and the Third World. Meanwhile, Beijing's gerontocracy will be replaced by new and less well known leaders, and the PRC's strategic military forces will be developing more credible intercontinental capabilities. Whatever the direction of Sino-Soviet relations, it will be important to US national interests that those relations be closely monitored. At least partly because of its opening to the West, China probably will also become a more open society, producing new intelligence opportunities as well as a potential for internal unrest. Long-term intelligence implications:

1. The need for improved intelligence coverage of political, economic, and military developments in China commensurate with China's growing importance on the world scene and with the increased collection opportunities within China. (NFAC, DDO)
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2. The need for improved coverage concerning relations between the USSR and China. (NFAC, DDO)

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SECRET/NOFORN

31 July 1980

V. What changes, if any, should be made in CIA's efforts regarding technology transfer and nuclear proliferation?

The development and transfer of sensitive commercial and military technology will have an increasingly important impact on economic and military capabilities in the developed West, the more advanced Communist states, and the more sophisticated LDCs. Developing states, having already seized on military, civil, and in some cases nuclear technology as a key to their future development, will continue to pursue its acquisition through whatever means, which in turn may strongly influence their relationships with countries of the developed world. The development or acquisition of nuclear weapons by various Third World countries could have a significant impact on regional political relationships and stability. Long-term intelligence implications:

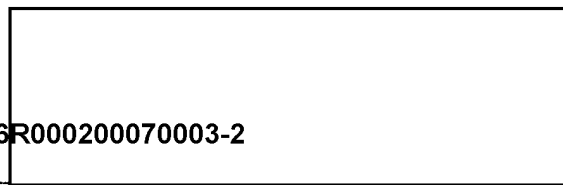
--The need for intelligence coverage of the flow of civil and military technology, including that resulting in nuclear proliferation (NEAC):



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31 July 1980

VI. What steps should the Agency take to best deal with the implications of Third World political and social instabilities?

The US and its allies are likely to become increasingly vulnerable in the coming years to instability and unrest in states which are important sources of valuable resources or are otherwise of considerable strategic significance. Crises in key oil producing states are likely within the next decade and could have a dramatic impact on the US economy. The ability of other resource-rich or strategically important states to maintain democratic or traditional political systems is likely to decline; the forces for change within societies that are important to the US are likely to increase. Long-term intelligence implications:

1. The need for better definition of and improved intelligence collection and production concerning sociopolitical, economic, and philosophical factors constituting the driving forces in international relations. (OCompt)

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1 August 1980

MANAGEMENT ISSUES

- A. What must the Agency do to sustain an effective overseas presence and supporting infrastructure in increasingly difficult operational environments?

An effective overseas presence is essential to the Agency's performance of its national intelligence mission. Recent years have brought a series of developments

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2. The need to strengthen the physical security of overseas installations against increased hazards to personnel and property.
(DDS&T, DDO)

- B. What must the Agency do to meet growing intelligence collection requirements against increasingly difficult targets?

The 1980s will bring both increased intelligence collection requirements and increased impediments to their accomplishment. Negotiation and verification of arms limitations agreements (SALT II alone contains 70 monitoring tasks), prospects for increasing requirements in crisis monitoring, and the need to use national capabilities to support tactical forces all indicate the need for sustained and improved collection capability

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Long-range management implications:

1. Force Monitoring: The need to develop and to sustain CIA collection capabilities to fulfill current and future Agency responsibilities in the monitoring of arms control agreements, crisis situations, and military order of battle. (NFAC)

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3. Technical Collection: The increasing need for reliable technical collection systems capable of remote (unattended) operations. (DDS&T)

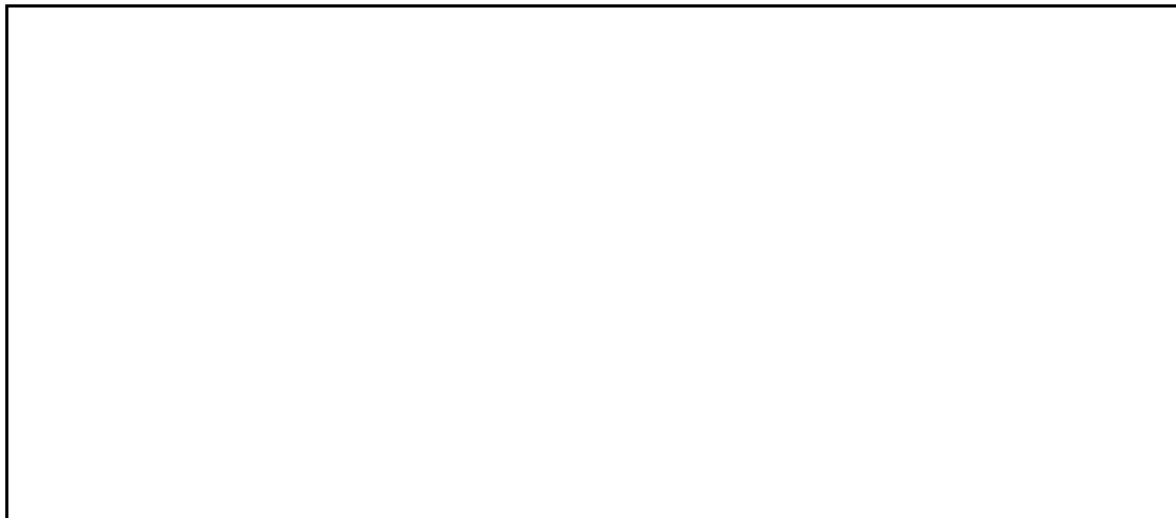
- C. How can the Agency best exploit new opportunities and fill potential gaps in intelligence production?

The 1980s will bring both increased requirements and increased opportunities in intelligence production. Both will constitute challenges requiring major management decisions. Congress has charged the Agency to improve the quality of its intelligence production. Increased imaging collection volume will constitute a problem of abundance in processing and analysis. Similarly, the amount of intelligence information available from overt sources will increase substantially in this decade along with requirements for its exploitation. To meet even existing requirements, FBIS would have to increase its voice and TV coverage by some 15 percent and its publications exploitation by some 23 percent. These requirements will continue to expand in the decade ahead. Long-range management implications:

1. The need to improve the quality of intelligence analysis, including resolution of personnel/space problems. (NFAC)
2. The need to prepare for processing and analyzing the product of new and significantly enhanced imagery, IR, and SIGINT collection systems which are expected to be available in the mid-1980s. (NFAC, DDS&T)
3. The growing need to close significant gaps in the exploitation of intelligence information from overt media. (DDS&T, DDO)

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- E. What measures will be required to ensure that CIA communications capabilities will be adequate to handle the expanding needs of the 1980s?

The increasingly volatile international situation of the 1970s has already generated communications needs which strain current CIA capabilities. The Agency has entered the new decade with important elements of its telecommunications system obsolete by current state-of-the-art standards. Existing high frequency radio capacity will be insufficient to handle projected narrative and high speed data requirements of the mid-1980s. Intelligence requirements for more rapid handling of raw product from audio surveillance, covert and overt intercept, and in-place sensors will generate additional demands upon Agency telecommunications capabilities. In related areas, the availability of secure voice facilities will be of critical importance to the security of sensitive Headquarters area, other [redacted] communications of the current decade. The likelihood of more restrictive overseas operational environments will also require improved covert communications capabilities for use in [redacted] situations. Long-range management implications:

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1. The need to expand and modernize our present transmission system and to replace present communications systems with new and improved telecommunications capabilities. (DDS&T, DDA)
2. The need for increased availability of Agency secure voice communications in metropolitan, [redacted] and foreign locations. (DDA)
3. The need to achieve more timely access to intelligence information obtained from audio surveillance operations by overcoming current major delays in transmission, processing, and distribution. (DDS&T)

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4. The need for a new generation of clandestine technical equipment to increase operational security and opportunity. (DDO)

F. How should the Agency respond to coming opportunities and challenges in the field of information handling?

The rapid, accurate, and secure dissemination of record information is critical to performance of the Agency's mission. Demands upon our performance of these functions will increase substantially in the 1980s. Additional security considerations will arise as sensitive information is increasingly stored in automated systems. Expanded opportunities for exploitation of overt information will require substantial changes in the methods by which we have traditionally collected, processed, and disseminated such data. Means for more rapid electronic transmission of printed material from the field are needed, as is an automated operational and administrative support system in field stations. In meeting the expanded information handling demands of the 80s, it is incumbent upon us to have a planned, programmatic approach to proper exploitation of the technological means available to us. Long-range management implications:

1. The need to replace existing message processing systems in the Offices of Communications and Data Processing with an integrated system that will provide a comprehensive, automated, two-way message-handling and dissemination facility which will support the information-handling requirements of the Agency, the Intelligence Community, and others. (DDA)
 2. The need for planned, significant growth toward more secure, integrated ADP systems capable of effectively responding to the extraordinary ADP requirements generated by analytical, administrative, and managerial problems and opportunities of the 1980s. (DDA, NFAC)
 3. The need for an automated operational and administrative support system in field stations (CRAFT). (DDO)
 4. The need to modernize FBIS collection, processing, and publishing operations. (DDS&T)
- G. How can CIA sustain levels of personnel qualifications, productivity, and utilization required to meet the changing and increasing demands of the 1980s?

As requirements levied on the Agency in the current decade grow in both quantity and complexity, it may become increasingly difficult to attract and retain adequately trained and motivated staff. Pre-employment preparation traditionally relied upon by the Agency (e.g., language instruction by universities, technical training by

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the armed forces) is rapidly dwindling. The need for more and better output for each work-hour is growing as intelligence requirements increase in the context of a ceiling on total available work-years and further MODE restrictions. This situation appears likely to prevail into the mid-1980s. The greater use of automation and the increasingly technical content of our product will generate new psychological, qualification, and training demands on our personnel in the current decade. Persons meeting those requirements are likely to be in considerable demand by other elements of the labor market. Long-range management implications:

- The need to acquire, train, retain, and properly utilize personnel qualified to fulfill the changing performance requirements of the coming decade. (DDA, O/Compt)

- H. What must CIA do to adequately comply with statutory requirements concerning records control, review, and public disclosure without significantly impeding performance of its primary missions?

In May 1980, efforts to comply with Freedom of Information and Privacy Act requirements used 4.5 percent of the total available manpower, including overseas strength, of the Operations Directorate. In spite of this, it was not possible to remain current with those demands, much less reduce the current [] backlog. As a result, the Agency is in substantial violation of the law as written. Should we be required to comply, we would be forced to process over [] pages of material or release them unprocessed. In the field of classification review, we must review 80 percent of the 20-year-old permanent records in the Agency's Systematic Classification Review program by December 1986 to adhere to the spirit of Executive Order 12065. Re-review of documents whose classification has been retained must begin in 1987. Extensive efforts for legislative relief from the Freedom of Information and Privacy Acts, even if forthcoming, will not relieve CIA of the obligation to search and process requests. No change is foreseen in E.O. 12065 review requirements. We must, therefore, expect continuation of these heavy administrative burdens on resources needed for performance of our primary intelligence missions in the 1980s. Long-range intelligence implications:

- The need for achieving acceptably expeditious means that will enable us to cope with FOIA, Privacy Act, and E.O. 12065 document review requirements. (DDA, DDO)

RELATIONSHIP BETWEEN DDA STRATEGIC OBJECTIVES AND AGENCY LONG RANGE MANAGEMENT ISSUES

DDA STRATEGIC OBJECTIVE

AGENCY LONG RANGE MANAGEMENT ISSUES

	A				B			C			D	E				F				G	H
	1	2	1	2	3	1	2	3				1	2	3	4	1	2	3	4		
OC - MERCURY Equipment/Switching Network												X									
JC - Carrier System Expansion												X									
OC/ODP - Message Processing System																X					
OC - Secure Voice													X								
*OC - Personnel Recruitment, Training, and Utilization																					
*ODP - Agency-wide SAFE-type Capability																					
ODP - Distributed Network Architecture																X	X				
*OF - Automated Financial/Budgetary Systems																					
OL - Logistics Integrated Management System (LIMS)																		X			
*OMS - Medical Audio/Visual Information System (MAVIS)																					
*OMS - Automated Test Processing																					
*OS - Information Handling Within OS																		X		X	
OS - Information System Security																					
OTR - Education for Intelligence Profession																				X	
ISS - Compliance with Classification Review																					X

*Not Submitted to Agency Planning Group

IMPACT OF AGENCY MANAGEMENT ISSUES ON DDA OFFICES

AGENCY LONG RANGE MANAGEMENT ISSUES

	A		B			C			D	E				F				G	H
	1	2	1	2	3	1	2	3		1	2	3	4	1	2	3	4		
Office of Communications	X			X			X			X	X	X		X	X	X	X	X	
Office of Data Processing							X							X	X	X		X	
Office of Finance															X	X		X	
Office of Logistics						X	X		X						X	X	X	X	
Office of Medical Services															X	X		X	
Office of Security	X	X													X	X		X	
Office of Training							X		X							X		X	
Information Services																X		X	X